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STATE FOR NEA/ARPI STATE PASS USTR JBUNTIN

E.O. 12958: DECL: 03/01/2015
TAGS: <u>EAGR ECON ETRD PGOV PREL BA</u>
SUBJECT: MINISTER OF MUNICIPALITIES AND AGRICULTURE DISCUSSES REFORM

Classified By: Ambassador William T. Monroe for reasons 1.4 (b) and (d).

- 11. (C) Summary. Minister of Municipalities and Agriculture Ali bin Saleh Al Saleh discussed the free trade agreement and municipal, environmental, and economic reform with the Ambassador February 28. Al Saleh told the Saudi Ambassador in Bahrain that Saudi Arabia should join the WTO in order to participate in the Middle East Free Trade Area (MEFTA) by 12013. The Ministry supports two municipalities' petition to parliament to preserve Tubli Bay from further land reclamation and protect the environment. Regarding the Economic Reform Workshop opened by the Crown Prince February 24, Al Saleh said the government criticized itself for the End Summary.
- 12. (C) Free Trade Agreement: The Ambassador thanked Al Saleh for his participation in the FTA negotiations while serving as Minister of Commerce (until January 2005). In the context of the FTA, Al Saleh noted he had just met with Saudi Ambassador to Bahrain Al Quwaiz and urged Saudi Arabia to take the necessary steps to become a member of the WTO in order to participate in the U.S.-MEFTA by 2013.
- 13. (C) Municipal Reform: Al Saleh noted the need to upgrade municipality services for investors and business people and increase cooperation with the Municipal Councils, which were created by the 2002 constitution. He wants to focus on urban planning, a discipline, he lamented, that does not exist in
- 14. (C) Environment: Tubli Bay, one of three protected areas in Bahrain, spans Manama and Isa Town municipal council districts. The bay at one time included 25 square kilometers but now measures half that due to land reclamation projects. According to Al Saleh, the two Municipal Councils have petitioned the lower house of the parliament to stop all future development and restore the remaining half of the bay to its national condition, a decision the Minister said he stands behind. (Note: the Council of Representatives formed a committee to investigate irregularities in the handling of Tubli Bay land reclamation. End Note.)
- 15. (C) Economic Reform: Crown Prince Salman, head of Bahrain's Economic Development Board (EDB), opened an Economic Reform Workshop February 24. This second of three major workshops aimed at bringing private and public sector officials together to discuss reform was a step in the right direction, said Al Saleh. (Note: The first was September's conference on labor reform. End Note.) For the first time, Al Saleh said the GOB criticized itself, a positive development as the government must first admit it has problems in order to begin finding solutions.

 MONROE